Dominion Energy Southeast Services, Inc. Legal Regulatory Department 400 Otarre Parkway, Cayce, SC 29033 Mailing Address: 220 Operation Way, MC C222, Cayce SC 29033 DominionEnergy.com



June 14, 2019

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk/Administrator Public Service Commission of South Carolina 101 Executive Center Drive Columbia, South Carolina 29210

RE: Dominion Energy South Carolina, Inc.'s Filing of Quarterly Monitoring Report for the twelve-month period ending March 31, 2019, and Proposed Rate Adjustments pursuant to the Natural Gas Rate Stabilization Act (*This filing includes a request for a rate increase and deletion of a rate schedule.*)

Docket No. 2019-6-G

Dear Ms. Boyd:

On April 26, 2005, South Carolina Electric & Gas Company n/k/a Dominion Energy South Carolina, Inc. ("DESC") filed an application pursuant to S.C. Code Ann. § 58-5-240 (1976, as amended) for adjustments in the Company's natural gas rate schedules and tariffs. See Docket No. 2005-113-G. In the application, DESC elected to have the terms of the Natural Gas Rate Stabilization Act., S.C. Code Ann. § 58-5-400 et seq. (2015), apply to the Company's rates and charges for natural gas distribution services thereafter. In accordance with S.C. Code Ann. §§ 58-5-430 and 440 (2015), DESC hereby submits for filing with the Public Service Commission of South Carolina the Company's Quarterly Monitoring Report for the twelve-month period ending March 31, 2019, and Proposed Rate Adjustments.

By copy of this letter, and pursuant to S.C. Code Ann. § 58-5-430 and § 58-5-455 (2015), we are also serving the South Carolina Office of Regulatory Staff with a copy of the enclosed documents and attach a certificate of service to that effect.

The Honorable Jocelyn G. Boyd June 14, 2019 Page 2

If you have any questions, please advise.

Very truly yours,

Matthew W. Gissendanner

MWG/kms Enclosures

cc: Dawn Hipp

Jeffrey M. Nelson, Esquire

Becky Dover, Esquire

Carri Grube-Lybarker, Esquire

(all via electronic mail and U.S. First Class Mail w/enclosures)

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2019-6-G

IN RE:

Dominion Energy South Carolina, Inc.'s

Filing of Quarterly Monitoring Report for
the twelve-month period ending March 31,

2019, and Proposed Rate Adjustments

Pursuant to the Natural Gas Rate

Stabilization Act (*This filing includes a request for a rate increase and deletion of a rate schedule.*)

CERTIFICATE OF
SERVICE

This is the certify that I have caused to be served this day one (1) copy of Dominion Energy South Carolina, Inc.'s Quarterly Monitoring Report for the Twelve-Month Period Ending March 31, 2019, and Proposed Rate Adjustments to the persons named below at the addresses set forth via electronic mail and U.S. First Class Mail:

Dawn Hipp
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201
dhipp@ors.sc.gov

Jeffrey M. Nelson, Esquire Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, SC 29201 jnelson@ors.sc.gov

L. Becky Dover, Esquire SC Department of Consumer Affairs PO Box 5757 Columbia, SC 29250 bdover@scconsumer.gov Carri Grube-Lybarker, Esquire SC Department of Consumer PO Box 575 Columbia, SC 29250

clybarker@scconsumer.gov

Karen M. Scruggs

Cayce, South Carolina

This day of June, 2019

BEFORE

THE PUBLIC SERVICE COMMISSION

OF

SOUTH CAROLINA

DOCKET NO. 2019-6-G

IN RE:

Dominion Energy South Carolina, Inc.'s
Filing of Quarterly Monitoring Report for
the Twelve-Month Period ending March 31,
2019, and Proposed Rate Adjustments
pursuant to the Natural Gas Rate
Stabilization Act. (*This filing includes a
request for a rate increase and deletion of
a rate schedule.*)

QUARTERLY MONITORING REPORT FOR THE TWELVE-MONTH PERIOD ENDING MARCH 31, 2019, AND PROPOSED RATE ADJUSTMENTS

Pursuant to S.C. Code Ann § 58-5-430 (2015) and § 58-5-440 (2015) of the Natural Gas Rate Stabilization Act ("RSA" or "Act"), Dominion Energy South Carolina, Inc. ("DESC" or "Company") hereby files with the Public Service Commission of South Carolina ("Commission") its quarterly monitoring report for the twelve-month period ending March 31, 2019, and proposed adjustments to its rates and charges necessary to provide DESC the opportunity to earn the midpoint of the range of rate of return on common equity as established in the Company's most recent general rate case for natural gas service. *See* Docket No. 2005-113-G. DESC respectfully requests that the Commission accept and review the attached exhibits, and pursuant to S.C. Code Ann. § 58-5-455 (2015), issue an Initial Order approving the proposed rate adjustments set forth in this filing on or before October 15, 2019.

In support of this filing, the Company would respectfully show unto this Commission the following key facts and would request of the Commission for the following relief:

1. Corporate counsel for DESC in this proceeding is as follows:

K. Chad Burgess, Esquire Matthew W. Gissendanner, Esquire **Dominion Energy South Carolina, Inc.** 220 Operation Way, Mail Code C222 Cayce, South Carolina 29033 Telephone: 803-217-8141 (KCB)

803-217-5359 (MWG)

Facsimile: 803-217-7810

Email: chad.burgess@scana.com

Email: matthew.gissendanner@scana.com

All pleadings, correspondence and communication related to this filing should be addressed to the Company's authorized representatives as stated hereinabove.

- 2. On April 26, 2005, DESC, then known as South Carolina Electric & Gas Company, filed an application ("Application"), pursuant to S.C Code Ann. § 58-5-240 (1976, as amended), for, among other things, approval of adjustments in the Company's natural gas rate schedules and tariffs. *See* Docket No. 2005-113-G. In its Application, DESC elected to have the terms of the Act apply to DESC's rates and charges for gas distribution services thereafter.
- 3. All the parties in Docket No. 2005-113-G entered into a settlement agreement ("Settlement Agreement"), which was adopted by the Commission and incorporated into and made part of Commission Order No. 2005-619. See Order No. 2005-619, Order Exhibit No. 1. At the conclusion of proceedings in Docket 2005-113-G, the Commission issued Order No. 2005-619 finding, among other things, as follows:

In the Application [DESC] elected to have the rates established in this proceeding come under the Natural Gas Rate Stabilization Act ("RSA"), S.C. Code §§ 58-5-400 et. seq. (2005). Pursuant to the RSA Section 58-5-420(1), the Commission is required to specify a range for [DESC]'s cost of equity that includes a band of fifty basis points (0.50 percentage points) below and fifty basis points (0.50 percentage points) above the cost of equity on which rates have been set. Based on the stipulations of all Parties in the Settlement, and the cost of equity of 10.25% therein established, the Commission

specifies a range of 9.75% to 10.75% as the range of return on equity to be used in administering the provisions of the RSA for [DESC] until further order.

See Order No. 2005-619, p.7.

- 4. In its Application in Docket No. 2005-113-G, DESC, then known as South Carolina Electric & Gas Company, requested that the Commission make findings related to DESC's revenues, expenses, capital structure, returns, and other matters as required by S.C. Code Ann. § 58-5-410 (1976, as amended) and § 58-5-420 (1976, as amended).
 - 5. In Order No. 2005-619, the Commission found as follows:

The RSA at Section 58-5-420(2) requires the Commission to make findings related to specific categories of revenue, expense and investment. All the required findings are set forth in Exhibit C of the Settlement which is incorporated as part of this Order.

See Order No. 2005-619, p. 7.

- 6. The Commission has not issued any general rate order concerning DESC's natural gas operations since the issuance of Order No. 2005-619.
- 7. In accordance with Order No. 2005-619, and pursuant to the requirements of § 58-5-430, attached hereto as Exhibit A is the information contained in Exhibit C of the Settlement Agreement updated for the twelve-month period ending March 31, 2019.
- 8. DESC has made pro forma and other adjustments to its per books financial data as required by § 58-5-430(2), (3) and (4). A schedule setting forth the details of these pro forma and other adjustments is included in Exhibit A.
- 9. As indicated in Exhibit A, during the twelve-month period ended March 31, 2019, DESC earned a return on its gas distribution operations after pro forma adjustments that was below the 9.75% lower end of its allowable rate of return range on common equity established in Order No. 2005-619.

- 10. As required by § 58-5-440(1), Exhibit A contains a calculation indicating the additional revenue required to bring DESC's rate of return on common equity to the midpoint of the range of 10.25% established in Order No. 2005-619.
- 11. Attached hereto as Exhibit B are the new rates and charges for gas service which have been designed in such a manner so as to allow DESC an opportunity to generate the revenue required to return the Company's rate of return on common equity to the midpoint of the range of 10.25% as set by the Commission in Order No. 2005-619.
- 12. As required by § 58-5-440, the proposed rate adjustments contained in Exhibit B conform with the revenue allocation principles set forth in Order No. 2005-619.
- 13. Pursuant to § 58-5-455 (2015), DESC proposes to implement the rates reflected in Exhibit B for bills rendered on and after the first billing cycle of November 2019.
- 14. By Order No. 2018-308, dated April 25, 2018, the Commission ordered natural gas utilities to track and defer as a regulatory liability the effects resulting from the Tax Cuts and Jobs Act ("Tax Act"), which reduced the federal corporate rate from 35% to 21% effective January 1, 2018, and to be prepared to address Tax Savings in their next RSA proceedings. In the first quarter of 2018, the Company begin deferring estimates of income tax amounts charged through rates that relate to the effects of the Tax Act as amounts subject to refund with carrying costs. The Company continued to defer estimated amounts subject to refund until new rates were implemented reflecting the reduced federal corporate tax rate. The new rates were effective for bills rendered on and after the first billing cycle of November 2018.

¹ Pursuant to Commission Order No. 2006-679 issued in Docket No. 2006-5-G, the Company may adjust the cost of gas factors monthly, under the standards and procedures of that order as modified by Commission Order No. 2009-910 issued in Docket No. 2009-5-G. Any such adjustments, however, will not have any impact on this RSA filing or otherwise affect the Company's base rates.

- 15. In December 2017, the Company re-measured all federal deferred income tax assets and liabilities to reflect a 21% federal statutory tax rate. The amortization of amounts arising from re-measurement were deferred until the new rates were implemented, effective for bills rendered on and after the first billing cycle of November 2018.
- 16. The tariffs set forth in Exhibit B include a decrement rider ("Tax Reform Rate Rider") for the refund of income tax amounts charged through customer rates relating to the effects of the Tax Act and deferred in a regulatory liability during the twelve-month period ended March 31, 2019. The decrement rider also includes the refund of amounts deferred related to the remeasurement of federal deferred income taxes. The decrement will expire after the last billing cycle of October 2020. To the extent customers are over or under credited, the over or under credited amount will be placed in a deferred account with interest at the 3-year U.S. Government Treasury Notes, as reported by the *Wall Street Journal*, either in its print edition or on its website, plus an all-in spread of 65 basis points (0.65 percentage points), to be recovered or returned in a future RSA proceeding.
- 17. The tariffs set forth in Exhibit B no longer include Rate 36, Gas Lighting. Rate 36 was closed to new installations as of November 2005. There are no longer any active customers on Rate 36; therefore, the Company is proposing to eliminate this rate schedule and remove it from our natural gas rate offerings.
- 18. In accordance with S.C. Code Ann. § 58-5-430 and § 58-5-455(1), on the same day, and by the same means, a copy of this filing is being served upon and filed with the South Carolina Office of Regulatory Staff. In addition, the Company is required to simultaneously mail or electronically transmit copies of this filing, including all attachments, to any interested parties who have requested in writing to receive such filing. As of the date hereof, there are no interested

parties who have requested in writing that they receive a copy of this filing and therefore none is being provided.

WHEREFORE, DESC respectfully requests that the Commission (i) accept and review the Company's quarterly monitoring report for the twelve-month period ended March 31, 2019, (ii) on or before October 15, 2019, issue an Initial Order approving DESC's adjustments to its rates and charges, implementing the Tax Reform Rate Rider set forth herein, and approving the removal of Rate 36 from DESC's natural gas rate offerings, and (iii) grant such other and further relief as is just and proper.

Respectfully submitted,

K. Chad Burgess, Esquire

Matthew W. Gissendanner, Esquire

Dominion Energy South Carolina, Inc.

220 Operation Way, Mail Code C222

Cayce, South Carolina 29033

Telephone: 803-217-8141 (KCB)

803-271-5359 (MWG)

Facsimile: 803-217-7810

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Email: matthew.gissendanner@scana.com

Attorneys for Dominion Energy South Carolina, Inc.

June 14, 2019

Cayce, South Carolina

Dominion Energy South Carolina, Inc. Operating Experience - Total Gas For the Test Year Ended March 31, 2019

Description	Per Regulatory Books		Accounting & Pro Forma Adjustments		As Adjusted		Total Proposed Increase		Total After Proposed Increase
Operating Revenues \$	426,200,934	\$	3,945,014	\$	430,145,949	\$	7,106,649	\$	437,252,598
Operating Expenses:									
O&M Expenses - Cost of Gas	241,166,214				241,166,214				241,166,214
O&M Expenses - Other	71,126,054		(1,677,438)		69,448,616				69,448,616
Dep. & Amort. Expenses	31,884,224		817,976		32,702,200				32,702,200
Taxes Other Than Income	31,958,109		1,019,713		32,977,822		37,395		33,015,217
Total Income Taxes	6,744,567		(423,561)	-	6,321,006		1,763,779		8,084,785
Total Operating Expenses	382,879,167		(263,310)	_	382,615,857		1,801,174		384,417,031
Total Operating income	43,321,767		4,208,324		47,530,091		5,305,475		52,835,566
Customer Growth	790,154		76,756		866,911		96,761		963.672
Interest on Customer Deposits	(238,226)		-	_	(238,226)				(238,226)
Net Income for Return	43,873,695	: =	4,285,081	=	48,158,776	-	5,402,236	= =	53,561,012
Rate Base:									
Gross Plant in Service	1,278,536,676		(809,424)		1,277,727,252				1,277,727,252
Reserve for Depreciation	480,463,814		599,719	_	481,063,533				481,063,533
Net Plant in Service	798,072,862		(1,409,143)		796,663,719				796,663,719
Construction Work in Process	37,172,913		(1,100,110)		37, 172,913				37,172,913
Accum. Deferred Income Taxes	(96,282,607)		-		(96,282,607)				(96,282,607)
Environmental Costs	10,189,061		,		10,189,061				10,189,061
Pension Deferral	6,041,688		-		6 041 688				6,041,688
OPEB's	(18,438,894)		(374)		(18,439,268)				(18,439,268)
Tax Deferrais	(80,666,668)		-		(80,666,668)				(80,666,668)
Injuries & Damages	(766,864)		-		(766,864)				(766,864)
Materials & Supplies	18,164,726		-		18,164,726				18,164,726
Total Working Capital	8,890,757		(209,680)		8,681,077				8,681,077
Prepayments	11,505,604		- .		11,505,604				11,505,604
Average Tax Accruals	(15,238,019)		-		(15,238,019)				(15,238,019)
Customer Deposits	(10,611,530)	_	•.	_	(10,611,530)	_			(10,611,530)
Total Rate Base	668,033,028	=	(1,619,197)	_	666,413,831	.==	*.	. =	666,413,831
Rate of Return	6,57%	:		=	7.23%			_	8.04%
Return on Equity	7.23%	:		_	8,58%			-	10,25%

Dominion Energy South Carolina, Inc. Weighted Cost of Capital March, 2019

Description		Capital Structure	Ratio		Rate Base	Embedded Cost/Return	Overall Cost/Return		For Return
Long-Term Debt	\$	3,908,121,000	51.46%	•	342,936,557	5.95%	3.06%	\$	20,404,725
Preferred Stock		100,000	0.00%			0.00%	0.00%		
Common Equity	_	3,687,029,536	48:54%		323,477,273	10.25%	4.98%	—	33,156,287
Totals	\$	7,595,250,536	100.00%	\$	666,413,831		8.04%	\$_	53,561,012

EXHIBIT A Page 2 of 6

DOMINION ENERGY SOUTH CAROLINA, INC. For the Test Year Ended March 31, 2019

# LDA	DESCRIPTION	REVENUE	O&M EXPENSE	DEPR & AMORT EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5%	FEDERAL INCOME TAX @ 21%	PLANT IN SERVICE	ACCUM DEPR	CWIP	DEFERRED DEBITS & CREDITS	WORKING CAPITAL
	ANNUALIZE WAGES, BENEFITS AND PAYROLL											
1	TAXES	····	(250,706)		(17,753)	13,423	53,558					(31,338)
2	REMOVE EMPLOYEE CLUBS			(15,638)		782	3,120	(639.541)	(268,972)			
	RECOGNIZE PROPERTY RETIREMENTS,							(,,			1	
	DEPRECIATION RESERVES			_								
	RECOGNIZE PROPERTY										ļ	
	ADDITIONS/ADJUSTMENTS, PLANT IN SERVICE ANNUALIZE DEPRECIATION - RESERVE											
	ADJUSTMENT			837,227		(41,861)	(167,027)		923,770			
6	ANNUALIZE PROPERTY TAXES	-			1.016.708	(50,835)	(202,833)					
	ANNUALIZE CUSTOMER AWARENESS				1,010,102	(00,000)	(202,000)					
7	CAMPAIGN EXPENSES		(23,346)			1,167	4,657					(2,918)
8	ANNUALIZE HEALTH CARE EXPENSES		(846,135)			42,307	168,804					(105,767)
	ANNUALIZE OTHER POST-EMPLOYEE BENEFITS											
9	(OPEB)		.499			(25)	(100)				(374)	62
_10	ANNUALIZE INSURANCE EXPENSE		(308,784)			15,439	61,602					(38,598)
_11	TAX EFFECT OF ANNUALIZED INTEREST					2,479	9,891					-
12	ANNUALIZE CURRENT PENSION EXPENSE		745,132			(37,257)	(148,654)					93,142
	REMOVE NON-RECURRING WNA DEFERRAL											
	AMORTIZATION	2,630,022			13,839	130,809	521,928					
	ANNUALIZE RSA REVENUE DECREASE (Order No. 2018-678)	(5,166,965)			(27,189)	(256,989)	(1,025,385)					
	TAX REFORM - ANNUALIZE EXCESS DEFERRED	(5).55(5)			(2.11.00)	(200,000)	(1,020,000,					
	TAX AMORTIZATION						(1,380,229)					
	TAX REFORM - NORMALIZE TEST YEAR											
	REVENUES	3,887,084			20,454	193,332	771,393					
	ANNUALIZE PIPELINE INTEGRITY MANAGEMENT AMORTIZATION		759,008			(37,950)	(151,422)					94,876
18	REMOVE IMPACT OF GAS MERGER CREDIT	2,450,000			12,892	121,855.	486,203					
19	TIMBER REVENUES	144,874			762	7,206	28,750					
20	REMOVE SETTLEMENT PROPERTY			(3,613)		181	721	(169,883)	(55,079)			
21	VRP MERGER COST SAVINGS		(1,700,000)			85,000	339,150					(212,500)
22	REMOVE NON-ALLOWABLE EXPENSES FOR RATEMAKING PURPOSES		(53,106)			2,655	10,595					(6,638)
	TOTAL ADJUSTMENTS	3,945,014	(1,677,438)	817,976	1,019,713	191,717	***************************************	(809,424)	599,719		(374)	1

Dominion Energy South Carolina, Inc. Computation of Proposed Increase For the Test Year Ended March 31, 2019

Line <u>No.</u>	Description	Requested
	(Col. 1)	(Col. 2)
1 2	Jurisdictional Rate Base Required Rate of Return	666,413,831 <u>8.04</u> %
3 4	Required Return Actual Return Earned	53,561,012 48,158,776
5 6	Required Increase to Return Factor to Remove Customer Growth	5,402,236 1.0182392
7 8	Required Increase to Return (Adjusted for Customer Growth) Composite Tax Factor	5,305,469 0.74655
9	Required Revenue Increase	7,106,649
10	Proposed Revenue Increase	7,106,649
	Additional Expenses	
11 12 13 14	Gross Receipts & PSC Support Tax @ .5262% State Income Tax @ 5% Federal Income Tax @ 21% Total Taxes	37,395 353,463 1,410,316 1,801,174
15 16	Additional Return Additional Customer Growth	5,305,475 96,761
17 18 19	Total Additional Return Earned Return Total Return as Adjusted	5,402,236 48,158,776 53,561,012
20	Rate Base	666,413,831
21	Rate of Return	8.04%

Dominion Energy South Carolina, Inc. Weighted Cost of Capital March, 2019

Dominion Energy South Carolina, Inc. Weighted Cost of Capital March, 2019											EXHIE Page 4				
				Regulator	/ Per Books		_		As As	djusted			After Propo	sed Increase	E
	Capital		Rate	Embedded	Overali	Income For		Rate	Embedded	Overall	Income For	Rate	Embedded	Overail	Income ≺ For ☐
Description	Structure	Ratio	Base	Cost/Return	Cost/Return	Return		Base	Cost/Return	Cost/Return	Return	Base	Cost/Return	Cost/Return	Return =
															İΠ
Long-Term Debt \$	3,908,121,000	51.46% \$	343,769,796		3.06% \$	20,454,303	\$	342,936,557	5.95%		20,404,725 \$	342,936,557	5.95%	3.06% \$	20,404,725
Preferred Stock	100,000	0.00%	-	0.00%	0.00%	-		÷.	0.00%		-	-	0.00%	0.00%	* I
Common Equity	3,687,029,536	48.54%	324,263,232	7.23%	3,51%	23,419,392		323,477,273	8.58%	4:17%	27,754,051	323,477,273	10.25%	4.98%	33,156,287
															Ó
Totals \$	7,595,250,536	100.00% \$	668,033,028	_	6.57% \$	43,873,695	. \$ _	666,413,831	_	7.24% \$	48,158,776 \$	666,413,831	_	8.04% \$	53,561,012

CERTIFICATION

I, Rodney Blevins, state and attest, under penalty of perjury, that the attached Quarterly Report of Gas Distribution Operations is filed on behalf of Dominion Energy South Carolina Inc. required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

Park I
Signature of Chief Executive Officer
Rodney Blevins Typed or Printed Name of Person Signing
President & Chief Executive Officer Title
6-11-19
Date Signed

Notary Public

My Commission Expires: October 22, 2023

Exhibit A Page 6 of 6

CERTIFICATION

I, James Chapman, state and attest, under penalty of perjury, that the attached Quarterly Report of Gas Distribution Operations is filed on behalf of Dominion Energy South Carolina Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

Signature of Chief Financial Officer

James Chapman
Typed or Printed Name of Person Signing

Executive Vice President & Chief Financial Officer
Title

June | , Jone
Date Signed

Subscribed and Sworn to me on this of June,

20 14 ...

Notary Public

My Commission Expires: March 31, 2020

COMMISSION NUMBER 7514580

VINGINIA ...

ALTHOR

PROPOSED RATES

Rate 31 Small Firm General Service

Rate 32 Value Residential Value Service

Rate 32 Standard Residential Standard Service

Rate 33 Medium Firm General Service

Rate 34 Large General Service

Rate 35 Firm Transportation and Standby Service

Rider to Rates 31, 32V, 32S, 33 and 34 Service for Air Conditioning

Weather Normalization Adjustment Adjustment Determination

GAS

RATE 31

AVAILABILITY

Available only to those customers having firm requirements on a peak day of less than 500 therms and using the Company's service for general commercial, industrial, agricultural, religious or charitable purposes. Only for residential where more than one dwelling unit is supplied through one meter. It is not available for resale.

RATE PER MONTH

Basic Facilities Charge:

November - April May - October

\$20.23 \$21.58 \$16.06

\$17.41

Plus Commodity Charge:

Billing Months of November-April

All therms @

\$0.96579

\$0,96432 per therm

GENERAL SERVICE

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1 dekatherm = 10 therms). The amount per dekatherm will be determined by multiplying the above by 10.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on BTU ratings of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above:

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.50643 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.02365 \$0.03595 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. The peak day requirement contained in the Availability will be determined in the same manner as the determination of the category for curtailment of retail customers. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

GAS

RATE 32V

RESIDENTIAL VALUE SERVICE (Page 1 of 2)

AVAILABILITY

This rate schedule is only available to residential customers that meet the special provisions as listed below and are using the Company's service in individually metered private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a central heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of this rate.

RATE PER MONTH

 Basic Facilities Charge:
 \$10.90

 Plus Commodity Charge:
 \$1.04908
 \$1.08229
 per therm

SPECIAL PROVISIONS

- 1. This rate schedule is available to those accounts where there is an average usage of at least 10 therms during the billing months of June, July and August. The average usage is derived by combining the therm usage for each of the billing months previously listed and dividing by three.
- 2. Therm usage during a billing month of other than 30 days, used to determine eligibility under this rate schedule, shall be adjusted to a 30 day billing period by application of a fraction, the numerator of which shall be 30 and the denominator of which shall be the actual number of days in the billing period.
- 3. The calculation as described in 1, above will be performed annually for each residential account. Accounts not meeting the standards of Rate 32V will be placed on Rate 32S beginning with the billing month of November of each year.
- 4. Availability of this rate schedule for new premises will be based on reasonably anticipated base load usage. Availability of this rate schedule for new accounts at existing premises will be based on the previous account's usage. If this usage is unavailable, the customer will be initially placed on Rate 32S Residential Standard Service.

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on the BTU rating of fixtures installed and will be billed the commodity charges listed

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

GAS

RATE 32V

RESIDENTIAL VALUE SERVICE (Page 2 of 2)

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.62859 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.00770 \$0.01157 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2019

GAS

RATE 32S

RESIDENTIAL STANDARD SERVICE

AVAILABILITY

This rate schedule is only available to residential customers that are not eligible for rate schedule 32V Residential Value Service and are using the Company's service in individually metered private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a central heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of this rate.

RATE PER MONTH

 Basic Facilities Charge:
 November - April May - October
 \$10.90
 \$10.90
 \$10.90
 \$10.90
 \$10.90

Plus Commodity Charge:

All Therms @

\$1.10908 \$1.14229 per therm.

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization. Adjustment.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on the BTU rating of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premises within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.62859 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.00770 \$0.01157 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

GAS

RATE 33

MEDIUM GENERAL SERVICE

AVAILABILITY

Available only to those customers using the Company's service for firm general commercial, industrial, agriculture, religious or charitable purposes and for residential where more than one dwelling unit is supplied through one meter. Also, this rate schedule is only available where there is an average usage of at least 130 therms during the billing months of June, July and August. The average usage is derived by combining the therm usage for each of the billing months previously listed and dividing by three. It is not available for resale.

RATE PER MONTH

 Basic Facilities Charge:
 \$26.82
 \$28.17

 Plus Commodity Charge:
 All Therms @
 \$0.91579
 \$0.91432
 per therm

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1 dekatherm = 10 therms). The amount per dekather will be determined by multiplying the above by 10.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on BTU ratings of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.50643 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.02365 \$0.03595 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location. No contract shall be written for less than twelve (12) months.

GENERAL TERMS AND CONDITIONS

RATE 34

LARGE GENERAL SERVICE

AVAILABILITY

Available only to those customers having firm requirements and a maximum daily quantity (MDQ) of at least 50 Dekatherms or greater and using the Company's service for industrial manufacturing or large commercial operations. It is not available for resale service.

MAXIMUM DAILY QUANTITY (MDQ)

The actual MDQ shall be the greatest amount of gas delivered to the customer during any day (10:00 a.m. to 10:00 a.m.) of the current billing month.

RATE PER MONTH

Monthly Demand Charge:

Commodity

First 50 Dekatherms @	\$ 572.00	\$583.50
Excess over 50 Dekatherms @	\$7.59	\$7.82 per Dekatherm
y Charge @	\$7.7567	\$7.7720 per Dekatherm

DETERMINATION OF BILLING DEMAND

(a) Billing Months of November-April:

The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.

(b) Billing Months of May-October:

The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) 50% of the contract MDQ; or (3) 50% of the highest MDQ occurring during any of the preceding billing months of November-April; or (4) 50 Dekatherms.

MINIMUM CHARGE

The monthly minimum charge shall be the demand charge as determined above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$6.2815 per dekatherm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.04484 \$0.06053 per dekatherm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Service hereunder shall be provided under a written contract, with a minimum initial term of one year with automatic extensions, unless terminated by either party in accordance with the terms of contract. In the event of a default to the contract, this rate schedule and the General Terms and Conditions will constitute a contract for a term of six months. A separate written contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

RATE 35

TRANSPORTATION AND STANDBY SERVICE (Page 1 of 2)

AVAILABILITY

Transportation service is available to any customer who has firm requirements of 50 Dekatherms Maximum daily Quantity (MDQ) or greater and, who owns and delivers gas to the Company at an acceptable point of connection, for delivery by the Company to the customer's regular point of service.

Service will be supplied at the best efforts of the Company and may be restricted from time to time due to operating limitations on the Company's system or from third party restrictions. In the event of such limitations, the transportation service is subordinate to service under all other rate schedules and may be curtailed or interrupted, normally upon not less than two hours advance notice, or, when necessitated by conditions affecting the Company's gas system, upon less than two hours advance notice.

RATE PER MONTH

Transportation Service

Monthly Demand Charge:

First	50 Dekatherms @	\$ 572.00	\$583.50	
Excess over	50 Dekatherms @	\$7.59	\$7.82	per Dekatherm
Commodity Cha	irge @	\$1.4833	\$1.4986	per delivered Dekatherm

DETERMINATION OF BILLING DEMAND

(a) Billing Months of November-April:

The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.

(b) Billing Months of May-October:

The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) 50% of the contract MDQ; or (3) 50% of the highest MDQ occurring during any of the preceding billing months of November-April; or (4) 50 Dekatherms.

Standby Service

In addition to the demand charges for transportation service the following charges will apply for gas supplied by the Company.

(a) Billing Months of November-April:

The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.

Demand Charge @	\$6.00	\$6.00 per Dekatherm
Commodity Charge @	\$7.7567	\$7.7720 per Dekatherm

(b) Billing Months of May-October:

Demand Charge @	None None	_
Commodity Charge @	\$7.75 67 \$7.7720	per Dekatherm

MINIMUM CHARGE

The monthly minimum charge shall be the demand charges as determined above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$6.2815 per dekatherm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.04484 \$0.06053 per dekatherm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

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RATE 35

TRANSPORTATION AND STANDBY SERVICE (Page 2 of 2)

DELIVERED GAS QUANTITY

When separate metering is not feasible, the Company shall assume for billing purposes, unless otherwise agreed to, that such metered volumes reflect deliveries under this rate schedule prior to gas received under any other rate schedule.

The quantity of transportation gas received into the Company's system for the customer's account to be delivered to the customer by the Company shall be reduced by 3% in measurement for line loss and unaccounted for gas.

The volume of gas received on a daily basis for customer's account may not equal the volume, less shrinkage, delivered to the customer. The result will be deemed an imbalance. Customer's account will be reviewed at the end of each month, or on termination of Transportation Service or curtailment or discontinuance thereof. If the imbalance is such that the customer has received more gas than was delivered to the Company during the period under review, customer shall be billed for such as standby service. If the imbalance is such that the customer has received less gas than was delivered to the Company may exercise one of two options, in its sole discretion. The Company may: (1) deliver the excess gas to the customer, over the next calendar month succeeding the review, at such times as the Company shall determine in its sole discretion; or (2) buy excess gas at Company's lowest delivered purchase price in that month from any of Company's suppliers.

LIABILITY

The Company shall not be liable for curtailment of service under this rate schedule or loss of gas of the customer as a result of any steps taken to comply with any law, regulation, or order of any governmental agency with jurisdiction to regulate, allocate or control gas supplies or the rendition of service hereunder, and regardless of any defect in such law, regulation, or order.

Gas shall be and remain the property of the customer while being transported and delivered by the Company. The customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.

The Company shall not be liable for any loss to the customer arising from or out of service under this rate schedule, including loss of gas in the possession of the Company or any other cause, except gross or willful negligence of the Company's own employees or agents. The Company reserves the right to commingle gas of the customer with other supplies.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

The customer shall execute an Agreement of Service with the Company which shall specify the maximum daily volume of gas to be transported, the period of time that the Company will receive such gas, and all conditions under which delivery to the Company will be accepted and delivery to the customer will be made. The customer must provide the Company with all necessary documentation of ownership and authorization required by any regulatory body with jurisdiction.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

ANNUAL NOMINATION

Customers must elect to receive a) Transportation Service only, b) Transportation Service with Standby Service, or c) Standby Service only for each applicable period. Such elections must be made to the Company in writing by October 15th of each year to be effective for each month during the period November 1st to October 31st following. New customers under this tariff shall elect volumes at the time their service contract becomes effective. If no prior election has been made then the customer will receive Standby Service only. If any customer fails to make a timely election, then the prior period election will carry over for the following period. All elections shall be binding for the duration of the November 1st to October 31st period and may not be revoked, suspended or modified by the Customer.

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RIDER TO RATES 31, 32V, 32S, 33 AND 34

SERVICE FOR AIR CONDITIONING (Page 1 of 2)

AVAILABILITY

EFFECTIVE FOR BILLS RENDERED ON AND AFTER THE FIRST BILLING CYCLE OF NOVEMBER 2005 THIS SCHEDULE IS CLOSED AND NOT AVAILABLE TO ANY NEW APPLIANCE.

This rider is available to those customers which have installed and are regularly operating a gas-fired central air cooling system or have installed and are regularly operating a gas-fired central combination air cooling and heating system. Service under this rider shall be available subject to the specifications below at customer's request and with Company certification of customer's installed gas-fired central air cooling system or gas-fired central combination air cooling and heating system. It is not available for resale service. At the company's discretion, service offered under this rider may be limited and applied only to those customers currently receiving service under this rider.

INDUSTRIAL AND COMMERCIAL, RATES 31, 33 AND 34

METERING

The volume of gas used for service under this rider will be determined by separate metering equipment installed by the Company. All costs associated with the separate metering are borne by the customer.

Available to those customers qualifying for service under General Service Rates 31 & 33.

SPECIFICATION A - Customer with gas-fired cooling systems.

RATE PER MONTH (All Months)

Basic Facilities Charge:	<u>\$18.15</u>	\$19.50	
Commodity Charge:			
All therms @	\$0.58125	\$0.56895	per therm

SPECIFICATION B - Customer with gas-fired Central combination air cooling and heating systems.

RATE PER MONTH

(During the Billing Months of May through October)

 Basic Facilities Charge:
 \$18.15
 \$19.50

 Commodity Charge:
 All therms @
 \$0.58125
 \$0.56895
 per therm

ADJUSTMENTS FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.50643 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.02365 \$0.03595 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1Dekatherm = 10 therms). The amount per Dekatherm will be determined by multiplying the above rates by 10.

Available to those customers qualifying for service under Large General Service Rates 34, Rate 34G - Customer with gas-fired Central combination air cooling and heating systems.

RATE PER MONTH (All Months)

Commodity Charge: All therms @

\$0.81121 \$0.80964 per therm

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.62815 per therm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.00448 \$0.00605 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

GAS

RIDER TO RATES 31, 32V, 32S, 33 AND 34

SERVICE FOR AIR CONDITIONING (Page 2 of 2)

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1Dekatherm = 10 therms). The amount per Dekatherm will be determined by multiplying the above rates by 10.

RESIDENTIAL RATES 32V & 32S

Available only to residential customers qualifying for service under Firm Residential Service Rate 32V & 32S and having a gas-fired central air cooling system or gas-fired central combination air cooling and heating system using the Company's service in private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a gas-fired central air cooling system or a gas-fired central combination air cooling and heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of Rate 32V & 32S.

SPECIFICATION B - Customer with gas-fired central combination air cooling and heating systems.

RATE PER MONTH (All Months)

Basic Facilities Charge:	\$ 10. 90	\$10.90
Commodity Charge;		
All therms @	\$0.78933	\$0.78546 per therm

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.62859 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.00770 \$0.01157 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to commodity charges for the billing months of November - April will be made in accordance with the Weather Normalization Adjustment.

GENERAL

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERMS OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

WEATHER NORMALIZATION ADJUSTMENT

APPLICABILITY

This Weather Normalization Adjustment (WNA) is applicable to and is a part of the Company's firm gas rate schedules 31, 32V, 32S, and 33. The commodity charges per therm for each customer account during the billing months of November through April will be increased or decreased in an amount to the nearest one-thousandth of a cent, as derived by the following formula:

WNA = $\frac{\text{WSL} \times \text{R}}{\text{ATH} \cdot \text{BTH}}$

Where: WSL = ATH - BTH X (NDD - ADD)

WNA = Weather Normalization Adjustment factor for a particular account expressed in dollars per therm.

WSL = Weather Sensitive Load which is the difference in the amount of therms that would have been consumed by the customer during normal weather and the amount of therms actually consumed.

R = Approved rate less cost of gas for applicable rate schedule determined as follows:

Rate 32V		Rate 32S	
R= \$0,42355	R= \$0.45676	R=-\$0.48355	R= \$0.51676

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.00770 \$0.01157 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

<u>Rate 31</u>	Rate 33
R= \$0.46260 R= \$0.46113	R= \$0.41260 R= \$0.41113

TAX REFORM RATE RIDER

The commodity charges above include a decrease related to tax reform of \$0.03595 per therm for the refund of income taxes charged through rates and will be applicable as approved by order of the Public Service Commission of South Carolina.

ATH = Actual therms consumed by customer during current billing period.

BTH = Base load therms which is the average of the therms consumed by customer during the previous billing months of June, July and August. If BTH is greater than ATH, then BTH will equal to ATH. If base load therms cannot be determined, then base load therms will be as follows:

Rate 32V = 18 therms Rate 31 = 19 therms Rate 32S = 4 therms Rate 33 = 739 therms

NDD = Normal heating degree days during customer's billing period authorized by the Commission,

ADD = Actual heating degree days during customer's billing period.

The appropriate revenue related tax factor is to be included in these calculations.